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DEVELOPMENT CORPORATION TO TAKE OWNERSHIP OF DOWNTOWN LAZARUS-MACY'S STORE TODAY

(Columbus) - The Columbus Downtown Development Corporation became owners of the Downtown Lazarus-Macy's store today, the first step in revitalizing the RiverSouth neighborhood of Downtown Columbus. The one million square foot store was a gift from Lazarus-Macy's parent company, Federated Department Stores, Inc. on October 27, 2003 and is valued at \$18.5 million. The transfer transaction was finalized today.

"This is an important moment for Downtown Columbus," said Mayor Michael B. Coleman, "And the Lazarus-Macy's store is about to be transformed from its historic retail significance into a new life in the heart of our city. A building like this offers unlimited possibility for redevelopment, economic development and as a cornerstone in our capital city, tying the southern end of downtown and the river to the Statehouse Square."

To date, the Development Corporation has received \$13 million in federal and state capital appropriations for RiverSouth. The recent federal budget includes \$3 million and was secured by U.S. Representatives Pryce, Hobson, and Tiberi and U.S. Senators DeWine and Voinovich. The state capital budget included \$10 million for RiverSouth development.

"This is prime property, a bridge walk away to COSI and next door to what will one day be a wonderful downtown park on the banks of the Scioto," said Tom Lussenhop, President and CEO of the Columbus Downtown Development Corporation. "With site ownership, we are beginning the process of revitalizing the RiverSouth area of our downtown."

"In cities such as Milwaukee, Cleveland and Chicago, Downtown department stores have been converted into exciting, mixed-use projects - housing, entertainment, retail and offices. The Lazarus-Macy's store is ideal for this kind of conversion," said Columbus Development Director Mark Barbash. "In fact, the building already houses the offices of the Ohio Environmental Protection Agency on the fifth and sixth floors."

The Lazarus Department store was built in 1909. Over the years the building was renovated and expanded and today it is one of the largest buildings in Downtown Columbus. Since the launch of the Downtown business plan in April 2002, the building has been identified as a key component of the revitalization of the RiverSouth district of Downtown. By taking ownership of this property, the Development Corporation begins the process of redevelopment.

The Development Corporation will also purchase from Federated the 4.28 acres adjacent to the store. The Development Corporation will purchase these holdings for \$5.7 million. This land includes a surface parking lot, and parking garage with an assessed value of \$7.2 million.